



UNITED STATES MARINE CORPS

MARINE CORPS LOGISTICS BASES
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LOGBASO 4200.1

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22 Nov 00

LOGISTICS BASES ORDER 4200.1

From: Commander
To: Distribution List

Subj: MANAGING ADVISORY AND ASSISTANCE SERVICES FOR
CONTRACTS

Ref: (a) SECNAVINST 4200.31C
(b) DOD DIRECTIVE 4205.2

Encl: (1) Operating Plan

1. Purpose. To provide procedures and assign responsibilities for managing and reporting advisory and assistance services (AAS), formerly designated Consulting Services (CS) or Contracted Advisory and Assistance Services (CAAS).

2. Background. Continuing congressional interest and increasing use of advisory and assistance services necessitates establishing local procedures for managing and reporting advisory and assistance services. During FY 1990 and FY 1991, a statutory limitation on the amount of funds, which could be obligated for CAAS, was established. For FY 1994, Congress redefined consulting services and required that the Office of Management and Budget establish the funding for consulting services for each Department as a separate object class in each budget submission. Currently, Exhibit PB-15 is used to report advisory and assistance services for all appropriations. Section 911 of the FY 1999 National Defense Authorization Act reinstated exemptions allowed under AAS. Definitions in reference (a) have been updated from revised Exhibit PB-15 instructions.

3. Advisory and Assistance Services Definition. Obligations for advisory and assistance services acquired by contract from non-governmental sources (including Federally Funded Research and Development Centers (FFRDSS) and non-FFRDSS) to support or improve organization policy development, decision making, management, and administration; support program and/or project management and administration;

provide management and support services for Research and Development (R&D) activities; provide engineering and technical support services; or improve the effectiveness of management process or procedures. The products of advisory and assistance services may take the form of information, advice, opinions, alternatives, analyses, evaluations, recommendations, training, and technical support. AAS consists of the following three categories:

Studies, Analyses, and Evaluations. This category includes funding for contractual services to provide organized, analytic assessments to understand or evaluate complex issues to improve policy development, decision-making, management, or administration and that result in documents containing data or leading to conclusions or recommendations. Those services may include databases, models, methodologies, and related software created in support of a study, analysis, or evaluation.

a. Management and Professional Support Services. This category includes funding for contractual services that provide engineering or technical support, assistance, advice, or training for the efficient and effective management and operation of organizations, activities (including management and support services for R&D activities), or systems. These efforts are closely related to the basic responsibilities and mission of the using organization and contribute to improved organization of program management, logistics management, project monitoring and reporting, data collection, budgeting, accounting, performance auditing, and administrative/technical support for conferences and training programs.

b. Engineering and Technical Services. This category includes funding for contractual services that take the form of advice, assistance, training, or hands-on training necessary to maintain and operate fielded weapon systems, equipment, and components (including software when applicable) at design or required levels of effectiveness.

4. Exemptions. The following exemptions describe various contracted services that are not advisory and assistance services.

a. Activities that are reviewed and/or acquired in accordance with OMB Circular A-76 program.

b. Architectural and engineering services for construction, alteration, or repair of real property and construction management services procured in accordance with the Federal Acquisition Regulation, Part 36.

c. Day to day operation of facilities (for example, the Arnold Engineering Development Center and related facilities) and housekeeping services and functions (for example, building and grounds maintenance, and physical security).

d. Routine maintenance of systems, equipment, and software; routine administrative services; printing services; and direct advertising (media) services.

e. Initial training services acquired as an integral part of the procurement of weapon systems, automated data processing systems, equipment or components, and training obtained for individual professional development.

f. Basic operation and management contracts for Government-owned, contractor-operated facilities (GOCOs); for example, the Holston Army Ammunition Plant in Kingsport, TN.

g. Clinical and medical services for direct health care.

h. Automated data processing and/or telecommunication functions and related services controlled in accordance with OMB Circular A-31.

i. Automated data processing and/or telecommunications functions and related services reported in Budget Exhibit 43a, "Report on information Technology Systems".

j. Services supporting the policy development, management, and administration of the Foreign Military Sales Program that are not paid for with funds appropriated by the U.S. Congress.

k. Services (for example, systems engineering and technical services) acquired by or for a program office to increase the design performance capabilities of existing or new systems or where they are integral to the logistics support and maintenance of a system or major component and/or end item of equipment essential to the operation of

the system before final Government acceptance of a complete hardware system. Care must be exercised to avoid exempting services acquired to advise and assist the program office and/or manager for program and/or contractor oversight and administration process, resource management, planning and programming, milestone and schedule tracking, or other professional or administrative services necessary in performing its mission.

1. Research on theoretical mathematics and basic medical, biological, physical, social, psychological, or other phenomena.

m. Auctioneers, realty-brokers, appraisers, and surveyors.

n. Services procured with funds from the Defense Environmental Restoration Account.

5. Policy

a. The acquisition of AAS is a legitimate way to support operations. Accordingly, these services may be used at all organizational levels to help managers achieve maximum effectiveness or efficiency to meet mission requirements. However, the Marine Corps shall maintain organic resources to perform inherently governmental functions. When contractors provide advice or assistance, which may affect decision-making, influence policy development, or provide support to project or program management of a kind similar to that provided by government personnel, it is essential to ensure that the contractor's performance is free of potential conflicts of interest.

b. AAS shall not be used to bypass or undermine personnel ceilings, pay limitations, or competitive employment procedures; awarded on a preferential basis to former Government employees; used under any circumstances specifically to aid in influencing or enacting legislation; or procured through grants or cooperative agreements.

c. Activities having a requirement will use the following guidelines to determine when AAS are an appropriate source:

(1) When suitable in-house capability is unavailable or cannot be obtained in time to meet the needs of the

organization, or it is not cost effective to establish an in-house capability (for example, because the special or unique skills or expertise are not required full time).

(2) When the requirement is anticipated to be of a short-term, temporary period of time. If the requirement is for a long or continuing period, an analysis should be performed by the requiring activity, with assistance of manpower analysts as necessary, to determine if in-house or contracting out is the most efficient means of performance. The results will be used as support documentation for contracting or support for requesting additional manpower billets.

(3) Contracts for AAS may not continue for longer than five (5) years without review by the DON Director for consulting services, or designee, for compliance with the reference.

6. Procedures

a. Identification. The management and oversight of AAS as a resource is a team responsibility. It requires the identification, planning, budgeting, acquisition, and accounting for AAS requirements financed by appropriated and Navy Working Capital Fund (NWCf) accounts. AAS shall be identified in the planning and budget formulation phases by the activity having the requirement. The final decision as to whether the contractual effort shall be classified as AAS lies with the activity comptroller.

(1) The activity having the requirement for contractor support has the primary responsibility for ensuring that the AAS are properly identified, budgeted, and reported. Each proposed contract action shall be evaluated separately to determine if the services required meet the AAS definition provided in this Order.

(2) NWCf financial personnel shall plan, budget, and account for AAS associated with overhead functions. If directly required in support of a customer order, the customer who holds the appropriated account shall plan, budget, and account for the services. For appropriated accounts, Fund Administrators who are responsible for execution of the funds shall plan, budget, and account for the services.

(3) When Military Interdepartmental Purchase Request (Form DD 448), Request for Contractual Procurement (NAVMCOMPT Form 2276), or Request for Work and Services (NAVMCOMPT Form 2275) are used for AAS, the issuing organization shall plan, budget, and account for the services. The forms will clearly state under description the requirement for AAS and amount. These forms will be routed through the LOGBASES Office of the Comptroller for concurrence on availability of AAS ceiling.

b. Operating Plan. The operating plan is the document maintained at the requiring activity, which identifies projected and ongoing AAS requirements. This document will be completed before submission of Program Objective Memorandum (POM) initiatives or before initiating procurement action. This document will be used during the POM and Budget processes as supporting documentation to identify initial AAS funding ceiling requirements. Enclosure (1) provides the format for the operating plan. LOGBASES Office of the Comptroller will publish a call letter for annual update. Operating plans shall be consolidated from all subordinate commands and maintained at the LOGBASES Office of the Comptroller. The Commander will review and approve in writing the annual Operating Plan for LOGBASES activities. This approval authority may not be delegated below a Senior Executive Service (SES) manager or general officer level.

c. Accounting Procedures. All obligations for AAS shall be recorded in the applicable accounting system.

(1) For appropriated accounts using Standard Accounting, Budgeting, and Reporting System (SABRS), the following object class/sub object class (OC/SOC) have been established for AAS and will be used only for AAS:

Studies, Analyses, and Evaluations (SAE)-OC/SOC 2521.

Management and Professional Support Services (MSS)-OC/SOC 2522.

Engineering and Technical Services (ETS)-OC/SOC 2523.

(2) For NWCF Depot Maintenance Activity Group using the Defense Industrial Financial Management System (DIFMS), each Maintenance Center will establish a unique job order number for AAS to ensure visibility of expenditures.

(3) Reimbursable orders to non-working capital fund activities and direct cite orders should contain a statement that funds are, or are not, provided for AAS. If funds are provided for AAS, a separate line of accounting must be identified on the document.

d. Contract Administration.

(1) AAS should be procured through a separate contract action if possible. When AAS is a portion of a larger contract action, it shall be a separately identified contract line item number and separately priced. An official at a level above the requiring activity, office, or organization shall approve all procurement requests for AAS. For proposed contract actions estimated at \$50,000 or more, the approval authority may not be delegated below a Senior Executive Service (SES) manager or a general officer. Additionally, approval for all procurement requests for AAS which are initiated during the fourth quarter of the fiscal year for award during the same fiscal year, shall be by an official at a second level or higher, above the requiring activity, office, or organization.

(2) For subordinate commands with no SES or general officer, approval by the LOGBASES Commander of the operating plan constitutes approval authority. In such instances, a copy of the Commander's written approval of the effort as incorporated in the Operating Plan must be included with the procurement request.

7. Action

a. Commanding Officers, General Staff, Special Staff, Personal Staff, and Directors. Develop and submit operating plans for all AAS requirements. When changes to the operating plan occur, submit revised plan to Office of the Comptroller. Financial personnel of requiring activities will plan, budget, and account for AAS as identified in this Order.

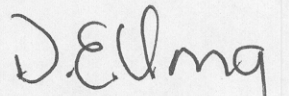
b. LOGBASES Office of the Comptroller. Ensure requirements for AAS are properly identified and justified in the POM and budget. Consolidate all operating plans and submit data for exhibits PB-15 and OP-32 to higher headquarters. Develop annual Operating Plan for approval by Commander. Ensure obligations for AAS are properly entered

in applicable accounting systems. Administer AAS ceiling for LOGBASES. Ensure AAS is included as part of internal management control assessable units.

c. Contracts Department. Ensure contract actions are properly evaluated prior to contract award for AAS. If AAS, determine type of AAS being procured and that applicable support documentation is included in the purchase request package. If not previously approved by Commander as AAS, generate document for approval with concurrence by Consolidated Admin Center (A500) and LOGBASES Office of the Comptroller (40).

d. Consolidated Administration Center. Certify that AAS required are of a type and level not suitable or available with in-house capability nor do these services duplicate work or services previously performed by in-house assets. Additionally, it is not cost effect to establish an in-house capability.

8. Applicability. This Order is applicable to all activities in the Marine Corps Logistics Bases.


D. E. LONG
Chief of Staff

Distribution: A
All Departments and Centers in LOGBASES

OPERATING PLAN
Advisory and Assistance Services

Appropriation:
Organization:

POC:
Telephone:

Description of Requirement:

Justification of Need:

Explanation: *

FFRDC: **
Type:** *

Estimated Cost by Year:

* Explain why contractual services are needed instead of in-house assets to satisfy the requirement.
**Enter whether or not the contractor is Federally Funded Research and Development Center (FFRDC) Enter one of the following: Studies, Analyses, and Evaluations (SAE), Management and Professional Support Services (MSS), or Engineering and Technical Services (ETS).

ENCLOSURE (1)